

COMMENTS BY TEXATEL ON VERIZON PETITION FOR FORBEARANCE

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Petition of Verizon)	
For Forbearance Under 47 U.S.C § 160(c))	WC Docket No 04-405
From Application of Computer Inquiry and)	
Title II Common-Carriage Requirements)	

COMMENTS OF TEXALTEL TO THE VERIZON PETITION FOR FORBEARANCE

TEXALTEL is a trade association that represents competitive telecommunications carriers that are based in Texas but provide service throughout the country, including the territories served by the incumbent provider Verizon. TEXALTEL members provide a varying array of services to their customers including basic local telephone service, prepaid services, xDSL and other high speed data services, cable and Voice over Internet Protocol services, also known as VoIP. TEXALTEL members have a vested interest in ensuring that the wholesale network remains available to competitive carriers throughout the United States allowing all consumers to have a choice in who provides their phone service and over what technology that services is provided.

TEXALTEL comes before the Federal Communications Commission (the Commission) today to submit comments to Verizon petition to the FCC to forbear it from Computer Inquiry and Common Carriage regulations (Forbearance Petition). We appreciate the Commission providing the opportunity to provide comment in this proceeding.

Comments

We strongly urge the Commission not to approve Verizon's forbearance petition for a number of reasons. Beyond the fact that the petition does not provide adequate support for the relief sought, it is crucial that the Commission recognize that the industry is just beginning to go through sweeping changes with regards to its regulatory structure from several recent Commission rulings and the players need time to let the issues shake out and to fully analyze where the market stands today. This petition is, if anything, premature considering the Commission has already provided a great deal of deregulation on fiber-based networks in the Triennial Review Order¹ and the recent Fiber to the Curb Order². It is impossible to say how the Triennial Review Remand Order³ will ultimately affect broadband as the industry has only seen the recent press release and has not yet seen, much less had time to digest and assess, the final written order. Moreover, for all the talk of a need for regulatory certainty, ILEC petitions, such as this Verizon petition will assure the absence of regulatory certainty so long as the Commission entertains them.

TEXALTEL would strongly urge the Commission to proceed with caution with regards to making any further changes to the status quo. This point is most pronounced in the context of the broadband incumbent network technologies used to provide broadband services. As more and more elements traditionally used by competitors to provide wireline services to their

¹ *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338) Report & Order and Order on Remand and Further Notice of Proposed Rulemaking (2003) (Triennial Review Order).*

² *Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338), Order on Reconsideration October 14, 2004*

³ *Unbundled Access to Network Elements (WC Docket No. 04-313); Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers (CC Docket No. 01-338)*

customers are removed from competitive access, consumers will have to rely more heavily on new technologies, such as VoIP technologies, to obtain services from competitive carriers. Any further changes to the regulation of broadband technologies are sure to hinder the full development and deployment of these new technologies. If Competitors lack full access to facilities through which they can provide VoIP-based services important sectors of the market – including residential and small business – could be facing what would essentially be unregulated monopolies or at best a duopoly between the regional bell companies and cable providers. Time has proven that monopolies have little incentive to invest and develop new technologies. In fact, it would do well for the Commission to remember that while a Bell company did develop xDSL technology, it also shelved the technology until a competitive provider brought it to market after 1996. It was not until data competitive carriers had developed business plans around such technologies and cable providers entered the broadband game that the Bell companies began providing broadband services themselves. VoIP deployment has followed a similar pattern.

We urge the Commission to dismiss this petition and any other forbearance petition filed by the incumbents. Allow the industry time to understand how the recent Commission actions including Fiber to the Curb and the Triennial Review Remand Order will affect how competitors obtain access to their customers and how services will be provided on a going forward basis. More importantly, to ensure the continued development of technologies such as VoIP, the Commission should deny any future attempts of the incumbent to remove competition by closing access to the public network.

If the Commission were to consider any action, it could reconsider Section 706 forbearance relief already provided to determine whether such existing forbearance remains appropriate based on the removal of unbundled switching for the list of available unbundled

network elements (“UNEs”) and the increasing reliance of VoIP technologies to offer competition in the mass market.

Thank you for allowing us to provide these comments.

Respectfully Submitted,

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TEXALTEL

Submitted: February 8, 2005